

## **REMARKS**

Reconsideration and further examination of the subject patent application in light of the present Amendment and Remarks is respectfully requested.

Claims 1-22 are currently pending in the application. Claims 1-22 stand rejected.

### **Rejections Under 35 U.S.C. §112**

The Examiner asserts that “Claim 9 is an apparatus claims, yet it is presented with limitations that appear to be method steps rather than structure, rendering the claims scope unclear” (Office Action of 5/21/07, page 2). The Examiner asserts the “Claim 17 similarly includes ‘database . . . determines’ which is a method step, not structure as required.” Claims 9 and 17 has been amended accordingly.

The Examiner asserts that “Claim 17 recites “information provided by . . . vendors” – it is unclear how the source or delivery mechanism of this information can limit the structure of the database in this system claim” (Office Action of 5/21/07, page 2). Claim 17 has been amended accordingly.

### **Rejections Under 35 U.S.C. §103**

Claims 1-6, 8-14, 16-20 and 22 stand rejected under 35 U.S.C. §103(a) as being obvious over U.S. Pat. Appl. No. US 2003/0018613 to Oytac in view of U.S. Pat. No. 6,347,304 to Taricani, Jr. Applicant respectfully traverses this rejection.

It may be noted first that the Office Action admits that "Oytak does not . . . explicitly state that the database system of consumer purchase information is one which also calculates taxes due on such purchases" (Office Action of 5/21/07, paragraph bridging pages 3-4). However, the Office Action goes on to assert that "It would have been obvious to have provided the features of Oytac with the system of Taricani, Jr. so that additional revenue could be generated for the valuable consumer data" (Office Action of 5/21/07, page 4).

However, the logic of the Office Action is flawed by the status of the user of the Taricani Jr. system. For example, the Taricani Jr. "network operator essentially acts as an independent contractor for the revenue agency 4 and can take[s] the revenue agency 4 out of the loop of collecting such taxes" (Taricani, Jr., col. 6, lines 50-53). Moreover, Taricani Jr. explicitly states that "the operator of the network of the present invention acts as an agent of the revenue agency" (Taricani Jr., col. 13, lines 8-9). Since the Taricani Jr. network operator collects taxes for the revenue agency 4, the Taricani Jr. network operator is necessarily limited by agency law.

It is fundamental to U.S. privacy law that public entities (and their agents) cannot release private information for commercial purposes. More to the point, the release of purchasing information is a violation of privacy. Since the release of purchasing information is a violation of privacy, the combination could not work as the Office Action asserts because the law forbids it.

Taricani, Jr. is not a database of past purchases, as asserted by the Office Action. Instead, Taricani, Jr. is a database of transactions for which taxes have

not paid. As such, Taricani, Jr. is a database of evidence of possible criminal activity. Even if a consumer were willing to waive his right to privacy, the criminal nature of the Taricani, Jr. database would render any waiver null and void.

Claims 1, 9 and 17 are limited to "a third-party tax record database forming data files about customers where the third-party database is separate from any vendor and where the third-party database also determines a tax due on previous purchases made by customers." The claimed third-party tax record database does not exist to collect taxes, an operator is not an agent of the state and, therefore, does not have the obligation of confidentiality imposed upon Taricani, Jr.

The claimed "third-party tax database" is different from Taricani, Jr. because it exists for the benefit of the buyer and seller and not for the benefit of the state. For example, "For buyers, the database may be used as a convenient source of information on purchases for tax purchases . . . duplicate charges from the same seller may be regarded as evidence of fraud" (incorporated by reference from U.S. Pat. Appl. No. 09/679,083, page 7, lines 28-31). Further benefits "may be derived from the vast quantities of consumer buying information generated and which may then be sold under certain conditions to marketing organizations" (incorporated by reference from U.S. Pat. Appl. No. 09/679,083, page 7, lines 28-31).

The claimed third-party database can release consumer information because it operates under the authority of both buyer and seller. Taricani, Jr. cannot release data because it is an agent of the state. Since Taricani, Jr.

cannot release data, the combination of Oytac and Taricani, Jr. is ineffective in teaching each and every claim limitation because information about the criminal activity of the Taricani, Jr. consumers cannot be released and cannot be used for any commercial purpose such as forwarding promotional materials. As such, there is no teaching or suggestion of "a third-party tax record database . . . identifying customers . . . and . . . forwarding promotional materials to the identified customers." Since the combination fails to teach or suggest each and every claim limitation, the rejections are improper and should be withdrawn.

#### Rejections under 35 U.S.C. §103

Claims 7, 15, 21 stand rejected under 35 U.S.C. §103(a) as being obvious over Oytac in view of Taricani, Jr. and U.S. Pat. Appl. No. US 2002/0077901 to Katz. Applicant respectfully traverses this rejection.

It may be noted in this regard, that Katz (as with Oytac and Taricani, Jr.) fails to provide any teaching or suggestion of tax database as a source of customer information. Since the combination of Oytac and Katz fails to teach or suggest this claim element, the combination fails to teach or suggest each and every claim limitation. Since the combination fails to teach or suggest each and every claim limitation the rejections are improper and should be withdrawn.

#### Closing Remarks

For the foregoing reasons, applicant submits that the subject application is in condition for allowance and earnestly solicits an early Notice of Allowance.

Should the Primary Examiner be of the opinion that a telephone conference would expedite prosecution of the subject application, the Primary Examiner is respectfully requested to call the undersigned at the below-listed number.

The Commissioner is hereby authorized to charge any additional fee which may be required for this application under 37 C.F.R. §§ 1.16-1.18, including but not limited to the issue fee, or credit any overpayment, to Deposit Account No. 23-0920. Should no proper amount be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal, or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 23-0920. A duplicate copy of this sheet(s) is enclosed.

Respectfully submitted,  
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